

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION – DETROIT**

In re:	)	
	)	Chapter 9
CITY OF DETROIT, MICHIGAN,	)	
	)	Case No. 13-53846
Debtor.	)	
	)	
	)	Hon. Steven W. Rhodes
_____	)	

**NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION’S  
JOINDER IN THE OBJECTION TO MOTION OF THE DEBTOR FOR  
APPROVAL OF DISCLOSURE STATEMENT PROCEDURES**

National Public Finance Guarantee Corporation (“National”), a creditor and party in interest in the chapter 9 case of the City of Detroit (the “City”),<sup>1</sup> by and through its undersigned counsel, hereby submits this joinder (the “Joinder”) in the Objection to Motion of the Debtor for Approval of Disclosure Statement Procedures [Docket No. 1342] (the “Objection”). In support of this Joinder, National adopts and incorporates the arguments in the Objection as if fully set forth herein, and respectfully submits as follows:

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<sup>1</sup> National is a municipal bond insurer and is a creditor and/or party in interest in this chapter 9 proceeding. In particular, National has insured several bonds issued by the City, including unlimited tax general obligation bonds, water supply system bonds, and sewage disposal system bonds.

1. As set forth in the Objection, the Disclosure Statement<sup>2</sup> is inadequate and incomplete. The Disclosure Statement fails to attach critical documents referenced in the Plan and the Disclosure Statement. In addition to missing critical documents, the Disclosure Statement fails to provide significant and material economic terms.

2. Notably, the Plan proposes to provide each holder of Unlimited Tax General Obligation Bonds with a pro rata share of Plan UTGO Notes (as defined in the Plan) substantially on the terms set forth in Exhibit I.A.206 to the Plan. (Plan at II.B.3.r, IV.B) The summary of the terms of the Plan UTGO Notes that is supposed to be provided in Exhibit I.A.206 has not been filed. Neither has the City filed the form of the Plan UTGO Note, which was supposed to be provided in Exhibit I.A.207.

3. It is impossible for creditors to evaluate the City's proposal where the City has failed to even summarize the terms of potential creditor treatment. Therefore, the Court should not consider the City's current filing to be a "disclosure statement" within the meaning of section 1125 of the Bankruptcy Code, or Federal Rule of Bankruptcy Procedure 3016(b).

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<sup>2</sup> Capitalized terms undefined herein shall have the meanings ascribed to them in the Objection.

WHEREFORE, National respectfully requests that the Court deny the relief sought in the City's Scheduling Motion and grant such other and further relief as is just and proper.

Dated: February 24, 2014

Respectfully submitted,

/s/ Paul R. Hage  
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